Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Text

UNCLASSIFIED

PAGE 01 BONN 04446 01 OF 02 101851Z
ACTION EUR-12

INFO OCT-01 EA-12 ISO-00 AID-05 CIAE-00 COME-00 EB-08
FRB-01 INR-10 NSAE-00 XMB-04 OPIC-06 SP-02 LAB-04
SIL-01 OMB-01 SS-15 STR-07 CEA-01 NSCE-00 USIE-00
SSO-00 INRE-00 PA-02 L-03 /095 W
----------059673 101933Z /50
O R 101837Z MAR 78 ZFF 4
FM AMEMBASSY BONN
TO SECSTATE WASHDC NIACT IMMEDIATE 6665
DEPARTMENT TREASURY NIACT IMMEDIATE
INFO AMEMBASSY LONDON
AMEMBASSY BRUSSELS
AMEMBASSY PARIS
AMEMBASSY TOKYO
AMEMBASSY OTTAWA
AMEMBASSY ROME

UNCLAS SECTION 01 OF 02 BONN 04446

USEEC

USOECD ALSO FOR EMBASSY

E.O. 11652: N/A
TAGS: PEPR, EFIN, GW, US
SUBJECT: FRG SPOKESMEN COMMENT ON USG/FRG FINANCIAL DISCUSSIONS

1. THE FOLLOWING PARAGRAPHS CONTAIN AN INFORMAL EMBASSY TRANSLATION AND DIGEST OF REMARKS MADE BY FRG SPOKESMEN IN THE MARCH 10 PRESS CONFERENCE.

2. THE SPOKESMAN FOR THE FRG FINANCE MINISTRY CONFIRMED THAT HIGH OFFICIALS OF THE FRG AND USG WILL BE IN CONTACT THIS WEEKEND ON QUESTIONS CONCERNING CURRENCY AND GROWTH. THE SPOKESMAN SAID, "ACCORDING
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BONN 04446 01 OF 02 101851Z

TO AMERICAN INFORMATION WHICH WAS GIVEN LAST NIGHT AFTER MR. CARTER'S PRESS CONFERENCE, DEPUTY SECRETARY SOLOMON AND STATE SECRETARY LAHNSTEIN OF THE FINANCE MINISTRY ARE INVOLVED (IN THIS CONTACT)."

3. ASKED ABOUT THE CONTENT OF THE TELEPHONE CONVERSATION BETWEEN PRESIDENT CARTER AND THE CHANCELLOR,

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

THE FRG SPOKESMAN (GRUENEWALD) DECLINED TO GIVE ANY DETAILS. HE SAID, "THIS WAS A TELEPHONE DISCUSSION BETWEEN LEADERS ABOUT WHICH BOTH SIDES DO NOT WISH TO GIVE ANY MORE INFORMATION THAN THEY HAVE ALREADY GIVEN. I AM NOT ABLE TO GIVE MORE INFORMATION WITHOUT ASKING THE AMERICAN SIDE. I ASK THAT YOU UNDERSTAND MY POSITION."

4. ASKED WHAT DATE HAD BEEN AGREED FOR A MEETING BETWEEN PRESIDENT CARTER AND CHANCELLOR SCHMIDT, GRUENEWALD REPLIED, "NOTHING HAS BEEN FIRMLY SETTLED BUT THE CHANCELLOR HAS TOLD THE AMERICAN PRESIDENT THAT HE WILL BE AT THE NATO SESSION IN WASHINGTON. WE HAVE YET TO WORK OUT WHETHER THERE WILL BE A MEETING THERE. IN ANY CASE, THE CHANCELLOR WILL BE THERE AND THERE WOULD BE A POSSIBILITY FOR A MEETING IF BOTH SIDES CAN WORK THIS OUT IN VIEW OF THEIR TIME PRESSURES AND SCHEDULES."

5. IN RESPONSE TO FURTHER QUESTIONS, THE SPOKESMAN CONFIRMED THAT THERE HAD BEEN CONTACTS FOR SOME TIME BETWEEN HIGH USG OFFICIALS AND REPRESENTATIVES OF THE FEDERAL GOVERNMENT. HE SAID THERE IS THE INTENTION TO CONTINUE THIS DIALOGUE AND, IN THE EVENT THERE IS A RESULT, TO ANNOUNCE THIS RESULT PUBLICLY.

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BONN 04446 01 OF 02 101851Z

6. ASKED ABOUT THE CONTACTS THIS WEEKEND, GRUENEWALD SAID, "THE PARTICULAR ASPECT TO THE CONTACTS THIS WEEKEND IS THAT FOR SOME TIME THERE HAVE BEEN DISCUSSIONS AND THAT THERE IS THE HOPE THAT THESE

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 BONN 04446 02 OF 02 101855Z
ACTION EUR-12

INFO OCT-01 EA-12 ISO-00 AID-05 CIAE-00 COME-00 EB-08
FRB-01 INR-10 NSAE-00 XMB-04 OPIC-06 SP-02 LAB-04

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

SIL-01 OMB-01 SS-15 STR-07 CEA-01 NSCE-00 USIE-00
SSO-00 INRE-00 PA-02 L-03 /095 W
----------059732 101932Z /50
O R 101837Z MAR 78 ZFF 4
FM AMEMBASSY BONN
TO SECSTATE WASHDC NIACT IMMEDIATE 6666
DEPARTMENT TREASURY NIACT IMMEDIATE
INFO AMEMBASSY LONDON
AMEMBASSY BRUSSELS
AMEMBASSY PARIS
AMEMBASSY TOKYO
AMEMBASSY OTTAWA
AMEMBASSY ROME

UNCLAS SECTION 02 OF 02 BONN 04446

DISCUSSIONS WILL LEAD TO A CERTAIN RESULT THIS
WEEKEND."

7. GRUENEWALD SAID THAT THE TELEPHONE DISCUSSION
BETWEEN CARTER AND SCHMIDT YESTERDAY LASTED A QUARTER
HOUR. HE ADDED, "SEVERAL SUBJECTS WERE DISCUSSED IN
THIS TALK. AFTER THE VISIT OF THE AMERICAN SECRETARY
OF TREASURY BLUMENTHAL, I LAID OUT FOR YOU THE
DIFFERENCES OF VIEW ON ECONOMIC STIMULATION POLICY...
AND I CAN REFER TO WHAT I SAID THEN. THERE HAS BEEN
NO CHANGE IN THE SITUATION THAT AGREEMENT IN ALL
QUESTIONS CONCERNING THE ECONOMY AND THE WORLD ECONOMY
AND CURRENCY QUESTIONS IS VERY EXTENSIVE."

8. ASKED TO EVALUATE THE SITUATION SINCE RAMBOUILLET,
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BONN 04446 02 OF 02 101855Z

GRUENEWALD REPLIED, "TREMENDOUS PROGRESS HAS
BEEN MADE IN THAT IN THE WAKE OF RAMBOUILLET, PUERTO
RICO AND DOWNING STREET 10, NOT ONE OF THE INVOLVED
STATES HAS RESORTED TO PROTECTIONIST MEASURES OF A
SIGNIFICANT KIND. THIS IS IMPRESSIVE PROGRESS WHEN
YOU RECALL THE REACTIONS OF STATES IN THE 1930'S.
SECONDLY, UNTIL LAST FALL WE WERE ABLE IN MANY AREAS
TO KEEP OUR EXCHANGE MARKETS FREE FROM 'DISORDERLY
MARKET CONDITIONS' (HE USED THE ENGLISH PHRASE). I
DO NOT HESITATE TO REGARD THIS AS A CONSIDERABLE
SUCCESS. ALL SEVEN MEMBER STATES HAVE COME TO
COMPATIBLE VIEWS ON THE NECESSITY OF WORLDWIDE ECONOMIC
COOPERATION, COORDINATION OF STIMULATIVE
MEASURES AND COLLABORATION IN THE CURRENCY FIELD. THIS
TOO IS A CONSIDERABLE STEP FORWARD COMPARED TO THE

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

SITUATION OF THE 1930'S. WITHOUT BEING EFFUSIVE, I
CAN GIVE A VERY POSITIVE ASSESSMENT OF THIS."
MEEHAN

UNCLASSIFIED

NNN

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCE
Control Number: n/a
Copy: SINGLE
Draft Date: 10 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BONN04446
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780108-0883
Format: TEL
From: BONN USEEC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780384/aaaactgx.tel
Line Count: 173
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 1bb7acc9-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3378562
Secure: OPEN
Status: NATIVE
Subject: FRG SPOKESMEN COMMENT ON USG/FRG FINANCIAL DISCUSSIONS
TAGS: PEPR, EFIN, GE, US
To: STATE TRSY
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/1bb7acc9-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014